



General Assembly

January Session, 2009

Substitute Bill No. 5073

* HB05073HSG 031009 *

AN ACT ESTABLISHING A FIRST-TIME HOMEBUYER SAVINGS PROGRAM.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2009*) (a) The Commissioner of
2 Economic and Community Development, in consultation with the
3 Commissioner of Revenue Services, shall establish a first-time
4 homebuyer savings program whereby any graduate of a public or
5 independent institution of higher education in the state, for the period
6 ending ten years after the date of graduation, may elect to have fifty
7 per cent of the amount paid by such graduate for the income tax under
8 chapter 229 of the general statutes in each calendar year segregated by
9 the Commissioner of Revenue Services and deposited into the fund
10 established by section 2 of this act and used for the purchase of the first
11 home of such graduate. Taxes shall be segregated for tax years
12 commencing on January 1, 2010. Enrollment in the program shall begin
13 on January 1, 2010.

14 (b) The Commissioner of Economic and Community Development,
15 in consultation with the Commissioner of Revenue Services, shall
16 adopt regulations, in accordance with the provisions of chapter 54 of
17 the general statutes, to carry out the provisions of this section.

18 (c) Not later than December 1, 2009, within available appropriations,
19 the Commissioner of Economic and Community Development shall
20 develop a comprehensive public education program to educate recent

21 graduates of a public or independent institution of higher education in
22 the state about the first-time homebuyer savings program established
23 under this section. The public education program shall include, but not
24 be limited to, information concerning lifetime savings plans and
25 information on the purchase of a home. The department shall begin to
26 implement the public education program not later than January 1,
27 2010.

28 (d) Not later than January 1, 2011, and annually thereafter, the
29 Commissioner of Economic and Community Development shall
30 submit a report to the Joint Standing Committee on Housing on the
31 program established pursuant to subsection (a) of this section. Said
32 report shall review the program and may include recommendations
33 for legislation.

34 Sec. 2. (NEW) (*Effective July 1, 2009*) There is created a "Connecticut
35 First-time Homebuyers Fund". Moneys segregated by the
36 Commissioner of Revenue Services pursuant to section 1 of this act
37 shall be deposited in the fund. Amounts deposited in the fund shall be
38 available to the Commissioner of Economic and Community
39 Development for payments to participants in the first-time home buyer
40 program established pursuant to section 1 of this act. The State
41 Treasurer shall invest the proceeds of the fund and investment
42 earnings shall be credited to and become part of the General Fund. On
43 or before September 1, 2010, and annually thereafter, the State
44 Treasurer shall notify the Commissioner of Economic and Community
45 Development of the total amount in the fund. Any balance remaining
46 in the fund at the end of each fiscal year shall be carried forward in the
47 fund for the succeeding fiscal year. Any funds segregated for a
48 participant in the program that are not used in the purchase of a home
49 shall be transferred to the General Fund. Any costs incurred by the
50 State Treasurer in administering the fund shall be paid from the fund.

<p>This act shall take effect as follows and shall amend the following sections:</p>
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Section 1	<i>July 1, 2009</i>	New section
Sec. 2	<i>July 1, 2009</i>	New section

Statement of Legislative Commissioners:

In subsection (a) of section 1, the sentence "Payments to a graduate shall equal the amount paid for the income taxes by the graduate." was deleted for consistency with the intent of the bill; in subsection (d) "select committee of the General Assembly having cognizance of matters relating to housing" was replaced by "Joint Standing Committee on Housing" for accuracy; in section 2, "On or before September, 2010, and annually thereafter," replaced "Annually, on or before September first" for consistency with the intent of the bill and other changes were made in the bill for grammatical reasons.

HSG *Joint Favorable Subst.-LCO*